

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 96-381-E - ORDER NO. 97-224  
MARCH 20, 1997

IN RE: Application of Carolina Power & Light ) ORDER  
Company for Approval of Accelerated ) APPROVING  
Amortization of Certain Regulatory ) ACCOUNTING  
Assets. ) TREATMENT

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the Application filed by Carolina Power & Light Company ("CP&L") requesting approval of accelerated amortization of certain regulatory assets. Thereafter, CP&L filed a Motion in Limine ("Motion") in which CP&L moves the Commission for an Order limiting the subject matter of the instant proceeding to the reasonableness of CP&L being allowed to reduce the amortization periods of the regulatory assets identified in CP&L's Application filed December 9, 1996. The Consumer Advocate for the State of South Carolina (the "Consumer Advocate") and Nucor Steel, a Division of Nucor Corporation ("Nucor"), both of whom are intervenors in the instant Docket, filed responses to CP&L's Motion. In addition, the Consumer Advocate requested that oral arguments on the Motion be scheduled before the Commission.

In this Docket, the regulatory assets proposed for accelerated amortization are (1) loss on reacquired debt; (2)

emission allowance carrying costs; (3) income taxes recoverable through future rates associated with prior flow through; and (4) Harris Plant disallowance. By its Application, CP&L seeks to shorten the amortization periods associated with these assets to three years beginning January 1, 1997, and ending December 31, 1999. In its Motion, CP&L commits that if Commission approves the accelerated amortization sought that CP&L will not seek to alter its rates for electric service as a result of these increased expenses.

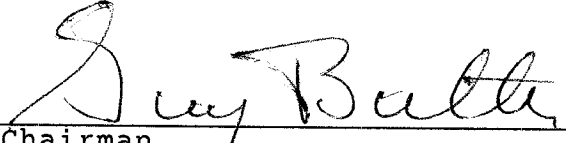
Upon consideration of this matter, the Commission is of the opinion, and so finds, that the proposed accounting treatment contained in the Application filed by CP&L should be approved. The Commission's approval of the proposed accounting treatment shall not be considered precedent, and Commission approval granted herein shall not prejudice the right of any party to take issue with the amount or with the accounting treatment of these costs in any future rate or earnings related proceeding. The amortization periods for any remaining unamortized balances would be subject to review and modification as appropriate.

As a result of the Commission's approval of the proposed accounting treatment sought in the Application, the Commission denies CP&L's Motion in Limine, denies the Consumer Advocate's request for oral arguments on the Motion in Limine, and cancels the hearing previously scheduled in this Docket.

This Order shall remain in full force and effect until  
further Order of the Commission.

IT IS THEREFORE ORDERED.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)